

Table 2B

## Shares of Federal Tax Liabilities for Households with Children, by Comprehensive Household Income Quintile, 1979-2005

Year	Lowest Quintile	Second Quintile	Middle Quintile	Fourth Quintile	Highest Quintile	All Quintiles	Top 10%	Top 5%	Top 1%
<b>Share of Total Federal Tax Liabilities</b>									
1979	2.7	10.3	19.0	25.9	42.0	100.0	27.4	19.6	9.4
1980	2.7	10.3	19.1	26.1	41.6	100.0	26.8	18.7	9.0
1981	2.8	10.7	19.4	26.9	40.0	100.0	24.9	17.1	8.6
1982	3.0	10.7	19.8	27.5	38.9	100.0	23.8	16.2	7.5
1983	3.2	10.4	18.5	25.9	41.8	100.0	26.8	19.2	10.3
1984	3.4	10.6	18.4	25.6	41.8	100.0	27.2	19.5	10.5
1985	3.3	10.8	18.6	25.7	41.4	100.0	26.6	18.4	9.2
1986	3.0	10.3	17.4	24.5	44.7	100.0	30.3	22.5	13.2
1987	2.5	9.4	17.2	24.2	46.5	100.0	31.7	23.3	12.8
1988	2.3	9.5	17.3	24.4	46.1	100.0	31.4	23.5	13.1
1989	2.2	9.2	17.4	24.4	46.5	100.0	32.1	23.7	13.1
1990	2.7	10.4	17.6	24.7	44.3	100.0	29.6	21.7	10.8
1991	2.5	9.9	17.2	24.5	45.8	100.0	30.5	22.1	11.4
1992	2.2	9.3	16.8	24.1	47.5	100.0	32.1	23.8	12.4
1993	2.1	8.7	15.7	23.2	50.1	100.0	35.6	27.2	15.5
1994	1.5	8.3	15.9	23.5	50.6	100.0	36.0	27.1	15.1
1995	1.3	8.3	14.9	21.9	53.4	100.0	38.6	30.1	17.6
1996	1.0	8.1	15.0	22.1	53.6	100.0	39.8	31.1	18.5
1997	1.0	8.1	14.6	21.8	54.3	100.0	40.7	31.9	18.8
1998	1.0	7.5	13.7	21.0	56.7	100.0	42.9	34.2	20.5
1999	1.1	7.3	13.0	20.1	58.4	100.0	44.8	35.9	22.2
2000	1.1	6.6	12.0	19.4	60.7	100.0	47.2	38.4	24.7
2001	0.8	6.7	12.9	19.8	59.6	100.0	45.1	35.5	22.2
2002	0.7	6.4	12.9	20.5	59.3	100.0	44.7	34.6	20.8
2003	0.7	5.9	12.3	20.0	60.9	100.0	46.7	36.9	22.8
2004	0.5	5.5	12.2	18.9	62.6	100.0	48.6	39.1	24.6
2005	0.3	5.2	11.8	18.4	64.1	100.0	50.7	41.5	25.8

## Share of Individual Income Tax Liabilities

1979	-0.3	6.3	16.3	26.1	51.6	100.0	35.2	25.6	11.9
1980	-0.2	6.6	16.4	26.1	51.1	100.0	34.6	24.7	11.7
1981	0.1	6.9	16.7	26.8	49.5	100.0	32.6	23.2	11.5
1982	0.1	6.7	16.7	26.9	49.6	100.0	32.9	23.6	11.2
1983	0.1	6.2	15.2	24.8	53.7	100.0	37.2	28.0	15.6
1984	0.3	6.5	15.1	24.4	53.7	100.0	37.9	28.7	16.1
1985	0.1	6.5	15.1	24.5	53.7	100.0	37.5	27.4	14.5
1986	0.1	6.0	13.5	22.5	57.9	100.0	42.9	33.7	20.4
1987	-0.8	4.7	12.6	21.5	61.9	100.0	46.1	36.0	20.9
1988	-1.3	4.5	12.7	21.8	62.3	100.0	46.6	37.1	21.7
1989	-1.9	4.0	12.9	22.0	63.0	100.0	47.4	37.1	21.5
1990	-1.4	5.3	13.4	22.5	60.1	100.0	44.1	34.3	18.1
1991	-2.1	4.5	13.1	22.3	62.2	100.0	45.7	35.4	19.6
1992	-2.5	3.7	12.3	21.5	64.9	100.0	48.6	38.3	21.5
1993	-2.6	3.1	11.2	20.3	68.0	100.0	52.6	42.7	26.0
1994	-4.0	2.3	11.4	21.1	69.2	100.0	53.4	42.5	24.9
1995	-4.7	2.2	10.4	19.1	72.9	100.0	57.4	47.1	28.7
1996	-5.1	1.8	10.4	19.2	73.7	100.0	59.3	48.8	30.1
1997	-5.2	2.1	10.2	18.8	74.1	100.0	59.9	49.4	30.2
1998	-5.4	1.1	8.3	17.3	78.8	100.0	64.5	53.9	33.5
1999	-4.8	1.0	7.6	16.0	80.2	100.0	66.5	55.9	36.0
2000	-3.7	0.8	6.6	14.9	81.4	100.0	68.1	58.0	38.8
2001	-5.5	-0.9	6.3	15.3	84.8	100.0	70.0	58.3	37.9
2002	-6.3	-1.8	6.3	16.1	85.7	100.0	70.5	58.0	36.6
2003	-7.2	-4.0	4.7	15.2	91.3	100.0	76.3	63.6	40.4
2004	-6.7	-3.5	5.0	14.1	91.1	100.0	76.6	64.6	41.1
2005	-7.0	-3.7	4.6	13.6	92.6	100.0	78.7	66.9	41.7

Table 2B

## Shares of Federal Tax Liabilities for Households with Children, by Comprehensive Household Income Quintile, 1979-2005

Year	Lowest Quintile	Second Quintile	Middle Quintile	Fourth Quintile	Highest Quintile	All Quintiles	Top 10%	Top 5%	Top 1%
<b>Share of Social Insurance Tax Liabilities</b>									
1979	6.0	16.2	25.1	29.3	23.3	100.0	9.9	4.5	0.7
1980	5.9	16.0	25.0	29.2	23.9	100.0	10.5	4.8	0.9
1981	5.8	15.9	24.5	29.5	24.2	100.0	10.5	4.7	1.0
1982	5.6	15.3	24.1	29.7	25.2	100.0	11.3	5.4	1.2
1983	5.6	14.9	23.4	29.1	26.9	100.0	12.4	6.1	1.4
1984	5.6	15.1	23.1	28.9	27.2	100.0	12.7	6.2	1.3
1985	5.5	15.1	23.2	28.7	27.3	100.0	12.9	6.2	1.2
1986	5.4	15.1	22.9	28.9	27.5	100.0	12.7	6.1	1.2
1987	5.0	14.2	23.0	29.1	28.6	100.0	13.6	6.8	1.6
1988	5.2	14.5	23.1	29.2	27.9	100.0	13.1	6.6	1.4
1989	5.4	14.3	23.1	28.9	28.2	100.0	13.8	6.9	1.6
1990	5.7	15.1	22.6	28.5	28.0	100.0	13.5	7.0	1.5
1991	5.6	14.4	21.5	28.1	30.3	100.0	15.2	8.1	1.9
1992	5.4	14.1	21.6	28.1	30.6	100.0	15.0	8.0	1.7
1993	5.3	13.9	21.1	28.1	31.4	100.0	16.4	9.1	2.0
1994	5.2	13.6	21.0	27.9	32.3	100.0	17.3	9.8	2.8
1995	5.7	14.0	20.4	27.1	32.6	100.0	17.1	9.7	2.7
1996	5.9	14.1	20.8	27.4	31.7	100.0	17.1	9.6	2.8
1997	6.1	14.2	20.5	27.4	31.8	100.0	17.4	9.9	2.9
1998	6.4	14.0	20.2	27.0	32.3	100.0	17.6	10.3	3.1
1999	6.3	13.9	20.0	26.8	33.0	100.0	18.1	10.5	3.3
2000	6.0	13.3	19.4	26.9	34.3	100.0	19.0	11.2	3.7
2001	5.9	13.8	20.0	25.9	34.3	100.0	18.8	10.6	3.5
2002	5.9	13.4	19.4	26.1	35.1	100.0	19.7	11.0	3.4
2003	5.8	13.5	19.4	26.2	35.0	100.0	19.6	11.1	3.4
2004	5.6	13.1	19.8	25.8	35.5	100.0	19.9	11.4	3.5
2005	5.9	13.3	20.0	25.9	34.9	100.0	19.7	11.5	3.4
<b>Share of Corporate Income Tax Liabilities</b>									
1979	2.1	4.3	7.1	12.2	73.6	100.0	62.9	53.9	34.0
1980	2.3	4.4	7.3	12.6	72.1	100.0	61.4	52.3	34.5
1981	2.4	4.8	7.4	12.1	71.9	100.0	61.6	53.6	37.7
1982	2.9	5.6	8.1	12.1	69.3	100.0	59.5	51.7	36.6
1983	2.4	5.0	6.5	11.2	73.0	100.0	63.8	57.0	42.5
1984	2.3	3.9	6.5	11.0	74.1	100.0	65.6	57.9	43.3
1985	2.3	4.7	7.0	11.1	73.1	100.0	63.9	56.4	40.9
1986	1.8	3.5	5.7	8.6	79.3	100.0	72.2	65.7	51.8
1987	2.0	4.5	6.9	11.1	73.1	100.0	64.2	55.6	38.8
1988	2.1	4.2	7.1	10.7	72.7	100.0	64.4	57.3	41.7
1989	2.0	4.2	5.9	10.3	74.2	100.0	65.4	57.9	43.0
1990	1.8	4.4	6.7	11.2	72.9	100.0	62.8	56.0	38.9
1991	2.1	4.8	7.1	10.7	72.1	100.0	62.5	54.6	38.8
1992	2.0	4.3	6.9	9.8	75.1	100.0	66.6	58.9	42.0
1993	1.7	3.6	5.3	9.1	78.4	100.0	70.1	62.6	47.3
1994	1.6	3.4	5.7	9.5	77.8	100.0	69.6	62.1	46.8
1995	1.6	3.6	4.8	8.6	79.5	100.0	71.9	65.5	49.4
1996	1.5	3.3	5.1	8.5	80.1	100.0	72.7	66.1	50.3
1997	1.4	3.0	4.8	8.7	80.7	100.0	73.5	66.3	50.4
1998	1.3	2.6	4.2	8.0	82.6	100.0	76.3	69.8	54.4
1999	1.1	2.7	4.3	7.6	83.1	100.0	76.1	69.7	54.8
2000	1.0	2.3	3.7	7.1	84.6	100.0	78.1	71.8	57.8
2001	0.9	1.9	3.4	6.1	86.0	100.0	80.1	74.3	61.8
2002	0.8	1.8	3.3	5.9	86.0	100.0	80.5	74.8	61.9
2003	0.6	1.3	2.7	4.7	88.6	100.0	83.4	78.5	65.3
2004	0.7	1.4	2.5	4.9	89.1	100.0	84.5	79.3	66.4
2005	0.6	1.4	2.7	5.2	88.9	100.0	83.9	78.8	64.5

Table 2B

## Shares of Federal Tax Liabilities for Households with Children, by Comprehensive Household Income Quintile, 1979-2005

Year	Lowest Quintile	Second Quintile	Middle Quintile	Fourth Quintile	Highest Quintile	All Quintiles	Top 10%	Top 5%	Top 1%
<b>Share of Federal Excise Tax Liabilities</b>									
1979	10.9	17.8	22.5	23.9	24.2	100.0	13.1	7.9	2.5
1980	11.1	17.9	22.4	23.3	24.4	100.0	13.5	8.1	2.8
1981	11.2	18.0	22.3	23.6	23.8	100.0	12.8	7.6	3.0
1982	11.8	18.0	22.7	24.2	22.7	100.0	12.0	7.0	2.3
1983	14.4	17.7	20.8	22.5	23.8	100.0	12.7	7.8	3.1
1984	14.7	18.0	20.2	22.4	24.0	100.0	13.4	8.4	3.8
1985	14.1	17.9	20.0	22.3	25.0	100.0	14.2	8.9	3.7
1986	12.7	17.8	20.4	22.1	26.3	100.0	15.1	9.5	4.1
1987	12.1	17.2	21.1	22.7	26.3	100.0	15.0	9.0	3.6
1988	11.7	17.8	21.1	22.5	26.5	100.0	14.9	9.2	3.8
1989	12.3	17.3	21.1	23.1	25.8	100.0	14.2	8.4	3.2
1990	13.0	18.1	20.7	22.4	25.3	100.0	14.2	8.8	3.0
1991	13.5	18.3	20.8	22.1	24.9	100.0	14.2	8.8	3.3
1992	13.2	19.0	20.5	22.4	24.5	100.0	13.4	8.1	2.7
1993	14.3	18.5	19.8	21.9	24.9	100.0	14.2	8.6	3.0
1994	13.9	18.0	20.0	22.2	25.3	100.0	14.6	8.6	3.0
1995	13.7	18.5	19.8	21.6	25.9	100.0	14.2	8.7	3.2
1996	14.4	19.7	19.9	21.1	24.5	100.0	14.0	8.4	3.0
1997	15.4	18.9	19.6	20.5	25.1	100.0	15.2	9.4	3.5
1998	14.9	18.3	19.5	20.7	26.2	100.0	15.5	9.8	3.9
1999	14.2	18.4	19.0	21.1	27.1	100.0	15.7	9.9	3.5
2000	13.0	17.5	18.8	22.0	28.5	100.0	16.3	10.0	3.6
2001	13.3	18.3	19.4	21.0	27.7	100.0	16.1	9.7	3.8
2002	13.9	18.5	19.8	21.4	26.0	100.0	15.0	8.9	3.3
2003	14.2	18.6	19.8	21.2	25.8	100.0	15.2	9.2	3.5
2004	13.6	18.2	20.2	21.1	26.7	100.0	15.8	9.8	3.8
2005	13.7	17.8	20.0	20.8	27.4	100.0	16.6	10.7	4.2

Source: Congressional Budget Office.

Notes: Effective tax rates are calculated by dividing taxes by comprehensive household income. A household with children has at least one member under age 18.

Comprehensive household income equals pretax cash income plus income from other sources. Pretax cash income is the sum of wages, salaries, self-employment income, rents, taxable and nontaxable interest, dividends, realized capital gains, cash transfer payments, and retirement benefits plus taxes paid by businesses (corporate income taxes and the employer's share of Social Security, Medicare, and federal unemployment insurance payroll taxes) and employee contributions to 401(k) retirement plans. Other sources of income include all in-kind benefits (Medicare, Medicaid, employer-paid health insurance premiums, food stamps, school lunches and breakfasts, housing assistance, and energy assistance). Households with negative income are excluded from the lowest income category but are included in totals.

Income categories are defined by ranking all people by their comprehensive household income adjusted for household size—that is, divided by the square root of the household's size. (A household consists of the people who share a housing unit, regardless of their relationships.) Quintiles, or fifths, contain equal percentages of the population. Because quintiles are defined on the entire population, households within a sub-population need not be evenly spread across the income quintiles.

Individual income taxes are distributed directly to households paying those taxes. Social insurance, or payroll, taxes are distributed to households paying those taxes directly or paying them indirectly through their employers. Corporate income taxes are distributed to households according to their share of capital income. Federal excise taxes are distributed to them according to their consumption of the taxed good or service.

Table 2C

**Number of Households, Average Income and Income Shares, and Income Category Minimums for Households with Children, by Household Income Category, 1979-2005**

Year	Lowest Quintile	Second Quintile	Middle Quintile	Fourth Quintile	Highest Quintile	All Quintiles	Top 10%	Top 5%	Top 1%
<b>Number of Households (Millions)</b>									
1979	6.5	7.1	7.4	6.8	4.8	32.6	2.1	1.0	0.2
1980	6.7	7.2	7.4	6.7	4.7	33.0	2.1	1.0	0.2
1981	6.8	7.2	7.3	6.6	4.7	32.8	2.0	1.0	0.2
1982	7.0	7.2	7.2	6.6	4.6	32.8	2.0	1.0	0.2
1983	7.4	7.2	7.1	6.5	4.7	33.0	2.1	1.0	0.2
1984	7.2	7.2	7.2	6.6	4.8	33.2	2.2	1.1	0.2
1985	7.6	7.4	7.2	6.6	4.9	33.9	2.2	1.1	0.2
1986	7.7	7.5	7.1	6.6	5.0	34.2	2.2	1.1	0.2
1987	8.2	7.2	7.2	6.6	5.0	34.3	2.3	1.1	0.2
1988	8.1	7.3	7.3	6.7	5.0	34.6	2.2	1.1	0.2
1989	8.0	7.4	7.3	6.7	5.0	34.6	2.3	1.1	0.3
1990	8.0	7.7	7.3	6.7	5.0	34.9	2.3	1.2	0.2
1991	8.0	7.9	7.3	6.7	5.2	35.3	2.3	1.2	0.3
1992	8.1	8.1	7.5	6.8	5.3	35.9	2.4	1.2	0.2
1993	8.2	8.3	7.6	7.1	5.6	36.9	2.5	1.3	0.3
1994	8.4	8.3	7.7	7.1	5.6	37.2	2.6	1.3	0.3
1995	8.3	8.4	7.5	7.0	5.8	37.1	2.7	1.4	0.3
1996	8.6	8.6	7.7	7.1	5.5	37.6	2.6	1.3	0.3
1997	8.5	8.6	7.7	7.2	5.6	37.8	2.7	1.4	0.3
1998	8.6	8.5	7.6	7.1	5.7	37.6	2.7	1.4	0.3
1999	8.5	8.5	7.5	7.2	5.8	37.6	2.8	1.4	0.3
2000	8.6	8.6	7.7	7.4	6.2	38.5	2.9	1.5	0.3
2001	8.7	8.9	7.9	7.0	6.1	38.7	2.9	1.4	0.3
2002	8.6	8.9	7.9	7.3	6.3	39.2	3.1	1.5	0.3
2003	8.7	9.0	7.9	7.3	6.2	39.3	3.0	1.5	0.3
2004	8.7	9.0	8.3	7.4	6.5	40.0	3.1	1.6	0.3
2005	8.8	8.9	8.3	7.3	6.3	39.7	3.1	1.6	0.3
<b>Average Income (2005 dollars)</b>									
<i>Pretax Income</i>									
1979	21,800	42,800	61,900	83,300	158,400	67,900	216,600	293,200	619,400
1980	20,500	41,100	59,700	81,200	154,400	64,900	211,300	289,900	587,800
1981	19,900	40,700	59,500	81,900	154,000	64,300	213,200	295,800	608,500
1982	18,900	39,600	58,600	81,000	153,000	62,600	211,200	287,300	615,000
1983	18,100	38,400	58,100	80,900	161,200	63,200	229,600	320,200	713,700
1984	18,700	40,500	60,300	84,300	171,300	66,900	243,500	342,300	790,300
1985	18,700	40,800	61,500	85,300	170,800	67,100	239,300	338,000	771,600
1986	18,600	41,700	63,300	88,300	200,500	72,500	299,600	450,500	1,229,600
1987	17,600	41,000	63,100	89,000	188,100	70,000	268,700	379,100	860,300
1988	17,900	41,700	64,000	90,500	198,800	71,800	291,900	419,200	1,051,400
1989	18,900	42,200	65,100	91,700	201,800	73,600	291,900	419,800	1,005,300
1990	19,700	43,000	64,800	91,300	191,400	72,100	271,800	374,900	846,400
1991	19,800	42,000	64,000	90,000	186,300	71,200	264,600	369,400	815,000
1992	19,400	41,300	63,800	90,900	193,100	72,300	278,300	393,600	946,400
1993	20,100	41,500	64,100	91,400	199,300	74,100	286,500	404,600	1,005,000
1994	19,900	42,100	65,200	93,300	199,600	74,900	283,200	401,000	921,100
1995	21,300	43,900	67,300	95,200	214,600	79,300	311,900	441,400	1,106,300
1996	20,900	43,500	67,700	96,600	228,200	79,900	331,800	481,800	1,197,500
1997	21,800	44,600	68,900	98,800	239,400	83,100	350,400	510,700	1,321,200
1998	22,900	46,500	71,300	102,700	258,900	88,200	386,400	565,600	1,500,600
1999	23,500	47,900	73,300	104,900	275,400	93,100	418,400	633,100	1,791,600
2000	22,600	47,200	73,000	106,000	292,100	96,500	451,200	688,200	2,037,400
2001	22,000	47,300	73,400	106,200	264,300	91,200	392,000	589,200	1,550,000
2002	22,100	46,100	71,500	103,000	248,600	88,500	359,500	530,800	1,368,800
2003	21,700	45,800	71,300	104,200	259,500	89,400	379,700	563,100	1,461,500
2004	22,200	46,900	73,200	106,500	278,900	94,800	415,600	621,100	1,691,500
2005	22,300	47,200	74,100	108,000	297,800	97,800	450,000	677,700	1,953,500

Table 2C

**Number of Households, Average Income and Income Shares, and Income Category Minimums for Households with Children,  
by Household Income Category, 1979-2005**

Year	Lowest Quintile	Second Quintile	Middle Quintile	Fourth Quintile	Highest Quintile	All Quintiles	Top 10%	Top 5%	Top 1%
<i>After-Tax Income</i>									
1979	19,800	36,100	49,900	65,600	117,300	53,600	156,000	205,600	406,400
1980	18,700	34,500	47,900	63,400	114,300	51,100	152,900	205,300	400,400
1981	17,900	33,800	47,200	63,100	114,200	50,200	155,800	213,600	427,600
1982	17,100	33,200	47,000	63,300	116,700	49,700	160,200	216,500	457,300
1983	16,300	32,200	46,800	63,800	123,200	50,200	173,700	240,000	521,300
1984	16,500	33,600	48,300	66,100	131,000	52,800	184,400	256,800	577,000
1985	16,600	33,800	49,200	66,900	131,100	53,100	182,600	256,400	574,300
1986	16,500	34,500	50,600	69,100	153,900	57,300	228,700	342,300	923,800
1987	16,100	34,200	50,900	70,200	140,300	55,000	196,600	272,800	596,200
1988	16,400	34,800	51,300	71,000	149,300	56,400	216,000	306,100	749,300
1989	17,400	35,500	52,200	72,000	151,700	57,900	216,700	307,800	721,800
1990	17,900	35,800	51,900	71,500	144,200	56,800	202,400	275,900	607,700
1991	18,200	35,200	51,300	70,500	139,100	55,900	194,400	267,300	573,000
1992	17,900	34,900	51,400	71,400	144,000	57,000	204,000	284,000	659,500
1993	18,600	35,200	51,800	71,900	145,300	57,900	202,900	279,000	653,200
1994	18,800	36,000	52,600	73,200	144,800	58,500	199,300	274,000	588,600
1995	20,300	37,400	54,300	74,800	154,400	61,700	217,500	298,900	700,700
1996	20,100	37,200	54,800	75,900	163,600	62,200	230,800	325,200	762,100
1997	20,900	37,900	55,600	77,300	171,600	64,500	244,000	346,400	852,200
1998	22,000	40,000	58,100	81,000	186,100	68,800	270,500	387,300	989,100
1999	22,500	41,100	59,700	82,800	196,600	72,100	290,700	430,200	1,179,100
2000	21,500	40,700	59,700	83,600	208,200	74,500	313,400	468,300	1,349,800
2001	21,300	41,600	61,100	85,000	191,300	71,800	276,200	405,700	1,028,300
2002	21,500	40,900	59,800	82,900	181,900	70,200	255,700	368,200	907,700
2003	21,100	41,300	60,700	85,400	192,800	72,000	274,300	396,700	990,500
2004	21,700	42,300	62,300	87,400	206,500	76,100	299,500	437,800	1,154,300
2005	22,000	42,700	63,000	88,400	219,600	78,300	323,200	477,200	1,337,400

**Share of Income (Percent)**  
*Pretax Income*

1979	6.3	13.7	20.6	25.6	34.1	100.0	20.7	13.8	5.7
1980	6.4	13.9	20.7	25.4	34.1	100.0	20.7	13.7	6.0
1981	6.4	13.9	20.6	25.8	34.0	100.0	20.4	13.6	6.3
1982	6.5	13.8	20.6	26.0	33.9	100.0	20.4	13.6	6.0
1983	6.4	13.2	19.7	25.1	36.5	100.0	22.6	15.7	7.8
1984	6.1	13.2	19.4	24.9	37.3	100.0	23.6	16.4	8.2
1985	6.2	13.2	19.4	24.8	37.1	100.0	23.4	15.8	7.5
1986	5.8	12.6	18.2	23.7	40.4	100.0	27.0	19.7	11.1
1987	6.0	12.2	18.9	24.6	39.1	100.0	25.3	17.8	9.0
1988	5.9	12.3	18.8	24.4	39.7	100.0	25.9	18.7	9.8
1989	5.9	12.2	18.7	24.2	39.9	100.0	26.5	18.9	9.9
1990	6.3	13.1	18.9	24.2	38.2	100.0	24.6	17.5	8.2
1991	6.3	13.1	18.5	24.1	38.7	100.0	24.7	17.1	8.2
1992	6.1	12.8	18.3	23.8	39.6	100.0	25.6	18.1	8.7
1993	6.0	12.6	17.9	23.7	40.5	100.0	26.7	19.2	9.7
1994	6.0	12.5	18.0	23.9	40.4	100.0	26.6	18.7	9.2
1995	6.0	12.6	17.2	22.7	42.2	100.0	28.3	20.7	10.6
1996	6.0	12.5	17.4	22.8	42.0	100.0	28.9	21.2	11.2
1997	5.9	12.2	16.9	22.5	43.0	100.0	30.1	22.3	11.9
1998	5.9	11.9	16.3	21.9	44.5	100.0	31.6	23.9	13.3
1999	5.7	11.6	15.8	21.5	46.0	100.0	33.0	25.3	14.7
2000	5.2	10.9	15.1	21.0	48.3	100.0	35.3	27.5	16.8
2001	5.4	11.9	16.3	21.1	45.8	100.0	32.4	24.2	14.0
2002	5.5	11.8	16.3	21.7	45.5	100.0	31.9	23.3	12.7
2003	5.4	11.7	16.1	21.6	46.1	100.0	32.7	24.3	13.8
2004	5.1	11.1	16.1	20.8	47.5	100.0	34.3	26.1	15.2
2005	5.0	10.9	15.7	20.3	48.6	100.0	35.9	27.9	16.3

**Table 2C**  
**Number of Households, Average Income and Income Shares, and Income Category Minimums for Households with Children,**  
**by Household Income Category, 1979-2005**

Year	Lowest Quintile	Second Quintile	Middle Quintile	Fourth Quintile	Highest Quintile	All Quintiles	Top 10%	Top 5%	Top 1%
<i>After-Tax Income</i>									
1979	7.3	14.6	21.0	25.5	32.0	100.0	18.9	12.3	4.8
1980	7.4	14.8	21.1	25.2	32.1	100.0	19.1	12.3	5.2
1981	7.4	14.8	20.9	25.5	32.3	100.0	19.1	12.5	5.7
1982	7.4	14.6	20.8	25.6	32.6	100.0	19.5	12.9	5.6
1983	7.2	13.9	20.0	24.9	35.1	100.0	21.6	14.9	7.2
1984	6.8	13.8	19.7	24.8	36.1	100.0	22.6	15.6	7.6
1985	7.0	13.8	19.6	24.6	36.0	100.0	22.6	15.2	7.1
1986	6.5	13.2	18.4	23.5	39.3	100.0	26.1	19.0	10.6
1987	7.0	13.0	19.4	24.7	37.1	100.0	23.5	16.3	7.9
1988	6.8	13.1	19.2	24.4	37.9	100.0	24.4	17.4	8.9
1989	7.0	13.0	19.0	24.2	38.2	100.0	25.0	17.6	9.0
1990	7.3	13.9	19.2	24.1	36.6	100.0	23.3	16.3	7.4
1991	7.4	14.0	18.9	24.0	36.8	100.0	23.1	15.7	7.3
1992	7.1	13.8	18.7	23.8	37.5	100.0	23.8	16.6	7.7
1993	7.1	13.7	18.5	23.9	37.8	100.0	24.2	16.9	8.1
1994	7.2	13.7	18.5	24.0	37.5	100.0	24.0	16.4	7.5
1995	7.3	13.8	17.8	22.9	39.0	100.0	25.4	18.0	8.7
1996	7.4	13.7	18.1	23.0	38.7	100.0	25.8	18.4	9.2
1997	7.3	13.4	17.6	22.7	39.7	100.0	27.0	19.5	9.9
1998	7.3	13.2	17.1	22.2	41.0	100.0	28.3	21.0	11.2
1999	7.0	12.9	16.6	21.9	42.4	100.0	29.6	22.2	12.5
2000	6.4	12.2	16.0	21.4	44.7	100.0	31.8	24.2	14.4
2001	6.7	13.3	17.2	21.5	42.1	100.0	28.9	21.1	11.8
2002	6.7	13.2	17.2	22.0	41.9	100.0	28.6	20.3	10.6
2003	6.5	13.0	17.0	22.0	42.5	100.0	29.3	21.3	11.6
2004	6.2	12.5	17.0	21.2	43.8	100.0	30.8	22.9	13.0
2005	6.2	12.3	16.7	20.8	44.8	100.0	32.2	24.6	13.9

**Minimum Adjusted Income (2005 dollars)**

1979	0	16,400	26,000	35,600	49,700	NA	63,600	80,600	157,700
1980	0	15,700	25,100	34,600	48,500	NA	62,700	78,800	152,900
1981	0	15,500	24,900	34,800	48,900	NA	62,800	79,500	150,600
1982	0	15,100	24,300	34,300	48,900	NA	63,100	79,000	151,200
1983	0	14,400	24,100	34,300	49,200	NA	63,800	80,800	157,700
1984	0	15,300	25,100	35,900	51,300	NA	67,200	85,200	168,400
1985	0	15,400	25,500	36,400	52,000	NA	68,300	87,300	175,000
1986	0	15,500	26,200	37,600	54,300	NA	71,500	92,700	203,300
1987	0	15,000	26,100	37,900	55,000	NA	72,500	92,600	190,800
1988	0	15,400	26,700	38,600	56,000	NA	74,200	95,300	205,200
1989	0	15,700	27,100	39,000	56,800	NA	75,300	97,600	208,000
1990	0	16,100	27,100	38,800	56,000	NA	74,000	96,000	198,400
1991	0	16,100	26,600	38,400	55,200	NA	72,900	94,400	194,600
1992	0	15,700	26,700	38,700	55,900	NA	74,200	97,300	205,800
1993	0	15,900	26,800	38,700	56,300	NA	74,700	97,000	202,500
1994	0	16,100	27,200	39,600	57,200	NA	75,800	99,100	208,600
1995	0	16,900	28,100	40,300	58,700	NA	78,500	103,200	221,900
1996	0	16,600	28,400	40,900	59,900	NA	80,600	106,200	234,300
1997	0	17,000	28,800	41,500	61,300	NA	83,000	111,400	248,600
1998	0	17,800	29,900	43,000	63,600	NA	86,600	116,200	265,300
1999	0	18,300	30,500	43,900	65,500	NA	89,100	119,800	283,100
2000	0	17,900	30,300	44,100	66,200	NA	90,700	122,800	290,900
2001	0	18,100	30,500	44,300	65,600	NA	88,500	118,300	262,400
2002	0	17,700	29,700	43,400	64,100	NA	86,600	115,000	249,600
2003	0	17,400	29,500	43,300	65,000	NA	87,300	116,500	253,600
2004	0	17,700	30,200	44,600	66,500	NA	90,300	120,800	276,200
2005	0	17,900	30,500	45,200	67,400	NA	92,400	126,300	307,500

**Table 2C**  
**Number of Households, Average Income and Income Shares, and Income Category Minimums for Households with Children,**  
**by Household Income Category, 1979-2005**

Year	Lowest Quintile	Second Quintile	Middle Quintile	Fourth Quintile	Highest Quintile	All Quintiles	Top 10%	Top 5%	Top 1%
------	-----------------	-----------------	-----------------	-----------------	------------------	---------------	---------	--------	--------

Source: Congressional Budget Office.

Notes: Effective tax rates are calculated by dividing taxes by comprehensive household income. A household with children has at least one member under age 18.

Comprehensive household income equals pretax cash income plus income from other sources. Pretax cash income is the sum of wages, salaries, self-employment income, rents, taxable and nontaxable interest, dividends, realized capital gains, cash transfer payments, and retirement benefits plus taxes paid by businesses (corporate income taxes and the employer's share of Social Security, Medicare, and federal unemployment insurance payroll taxes) and employee contributions to 401(k) retirement plans. Other sources of income include all in-kind benefits (Medicare, Medicaid, employer-paid health insurance premiums, food stamps, school lunches and breakfasts, housing assistance, and energy assistance). Households with negative income are excluded from the lowest income category but are included in totals.

Income categories are defined by ranking all people by their comprehensive household income adjusted for household size—that is, divided by the square root of the household's size. (A household consists of the people who share a housing unit, regardless of their relationships.) Quintiles, or fifths, contain equal percentages of the population. Because quintiles are defined on the entire population, households within a sub-population need not be evenly spread across the income quintiles.

Individual income taxes are distributed directly to households paying those taxes. Social insurance, or payroll, taxes are distributed to households paying those taxes directly or paying them indirectly through their employers. Corporate income taxes are distributed to households according to their share of capital income. Federal excise taxes are distributed to them according to their consumption of the taxed good or service.

The minimum adjusted income is the lower income boundary for each quintile. Because incomes are adjusted by dividing income by the square root of household size, an adjusted income range implies different unadjusted income for different size households. To compute the unadjusted income range for a particular size household, the adjusted income must be multiplied by the square root of the household size: 1.414 for a two-person household, 1.732 for a three-person household; 2.0 for a four-person household, 2.236 for a five-person household. For example, in 2005, the highest quintile had adjusted income above \$67,400. A two-person household would need income above \$95,300 to fall in that quintile, while a four-person household would need income in excess of \$134,800.